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C O N F I D E N T I A L SECTION 01 OF 02 OTTAWA 001910

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SENSITIVE SIPDIS

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TAGS: PGOV CA

SUBJECT: OCTOBER 16 THRONE SPEECH: NEW BEGINNING OR AN END?

REF: OTTAWA 1903

Classified By: PolMinCouns Scott Bellard, for reason 1.4 (d)

 $\underline{\mathbf{1}}$ 1. (C) Summary. The government's early evening October 16 Speech from the Throne will lay out the revised agenda of Prime Minister Stephen Harper for the new parliamentary session. The Bloc Quebecois and the New Democratic Party (NDP) are already committed to opposing it. The Liberals therefore hold the key to the government's survival; their dilemma is whether to swallow the government's agenda for now or else risk a national election for which they do not appear ready. With their poll numbers up and the prospect of a majority government more clearly in sight, the Conservatives may decide to throw down the gauntlet with a calculatedly unacceptable speech that will force an election. Political pundits remain deeply divided on the most likely strategy, even at this late date, but many predict that the Prime Minister will end up saving his election powder for a more substantive vote later on. End Summary

THE SPEECH

- 12. (SBU) By convention, Speeches from the Throne are bland, and have never yet brought down a government. PM Harper has already indicated that this Speech will contain few surprises and will largely reprise the government's existing priorities, including Afghanistan, the environment, and crime. Due to the minority status of the government, the Speech will nonetheless be a de facto electoral platform for the Conservatives. As such, the PM Harper likely will up the Conservative content, while staying the course on the moderate, centrist platform he has crafted to appeal to middle-class voters.
- ¶3. (C) The creation on October 12 of an independent high profile panel to review policy options on Afghanistan (reftel) probably has defused that issue as a controversial element in the speech. The panel is a creative temporary fix that robs both the NDP and the Bloc Qubcois of a key issue. Additionally, in a sign of developing flexibility, new Liberal foreign affairs critic Bob Rae welcomed the appointment of the panel and echoed PM Harper's call for an open, thoughtful debate over the mission beyond 2009.

WHAT THEN?

14. (SBU) Debate in Parliament on the Speech will begin almost immediately after the Governor General delivers it. The Liberals will pose an amendment to the Speech on October 16 or 17. The Bloc and NDP will offer sub-amendments, for a total of four votes, including the main motion -- all of them confidence votes. The first vote will take place on October 18. If the government falls, the earliest possible election date is November 26. PM Harper has made it clear that he

will not accept substantive amendments.

15. (SBU) Liberal MPs are openly describing a menu of options to allow the Speech to pass, while still registering Liberal dissent. These include amending the Speech and voting for it (if the government accepts the amendment), full or partial abstention (Dion and the Liberal front bench could vote against the Speech and the rest of the caucus be absent from the chamber), or boycotting the Speech. There is even speculation that the government will ensure that many conservative MPs skip the vote(s) to ensure that the government falls and it can call for elections.

NEW POLL CHANGES THE PICTURE?

- 16. (U) Ipsos Reid, a respected public opinion research firm, on October 13 released the results of its latest political polling, which gave the Conservatives a 40 pct support rating nationwide, compared to a 28 pct for the Qsupport rating nationwide, compared to a 28 pct for the Liberals. (The NDP had 16 pct and the Green Party only 7 pct.) Sixty-seven pct of Canadians in the poll agreed that "Canada is moving in the right track these days," while 49 pct indicated that -- if an election were to happen tomorrow -- "Stephen Harper has done a good job and deserves re-election." However, 46 pct indicated that "the Conservative Party does not deserve to be re-elected, and it is time for another federal party to be given a chance to govern the country."
- 17. (C) Many Conservative strategists have seized on these results as suggesting that the Conservatives might be able to pull off an actual majority in elections held before the end of the year. Liberal leader Stephane Dion has repeatedly

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made clear his belief that Canadians do not want elections at present, while many party insiders have expressed concern about factionalism and poor finances leaving the Liberals in bad shape to fight a successful election any time soon.

"POLITICAL AND PARLIAMENTARY FANTASY"

- 18. (C) Even if the Speech from the Throne passes, the new parliamentary session promises to be highly volatile, with many opportunities for confidence votes. The PM's "fish or cut bait" challenge to swallow the government's agenda or go to the polls indicates that he is less likely than ever to allow the derailment of his agenda, although he runs the risk of enhancing a reputation -- at least in the Opposition -- for bullying and being "too controlling." The Liberals have been quick to denounce Harper's take-it-or-leave it stance as "political and parliamentary fantasy." In practice, the minority government will again face tough times in controlling Parliamentary committee proceedings and amendments to key legislation.
- 19. (SBU) Among the key new elements that likely will feature in the government's agenda in the next Parliamentary session are:
- -- a voluntary undertaking by the federal government to limit its use of the federal spending power in areas of exclusive provincial jurisdiction, of special concern to Quebec (where the Conservatives hope to pick up additional seats in a future election);
- -- national security legislation that would, inter alia: restore some provisions of the Anti-Terrorism Act that lapsed in February 2007; respond to Senate and House mandatory reviews of the Act; address Supreme Court rulings on arbitrary detention; and review provisions and access to sensitive information for on-citizens subject to immigration security certificates in national security cases; and, -- possible new tax cuts (notably to help the hard-hit manufacturing sector) as well as further improvements to

Canada's intellectual property protection regime.

DIVIDED OPINION

110. (C) Even this close to the speech's delivery, political pundits remain deeply divided on whether the Prime Minister has decided that elections now are the Conservatives' best hope of winning majority status. If so, they expect the speech will be deliberately provocative to make it impossible for the Liberals to vote for it or abstain. Others believe that the time has not yet come for the Conservatives to go to the polls and that PM Harper will, at least for now, strike a more neutral note in the Throne Speech, while waiting for a better time -- and a more substantive issue -- to instigate a fall of his own government, thereby avoiding yet another mid-winter/holiday season campaign.

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